

Commodity Credit Corporation, USDA

Pt. 1427

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§ 1425.25 Appeals.

Parts 11 and 780 of this title apply to this part.

[67 FR 64459, Oct. 18, 2002]

PART 1427—COTTON

Subpart A—Nonrecourse Cotton Loans and Loan Deficiency Payments

Sec.

- 1427.1 Applicability.
- 1427.2 Administration.
- 1427.3 Definitions.
- 1427.4 Eligible producer.
- 1427.5 General eligibility requirements.
- 1427.6 Disbursement of loans.
- 1427.7 Maturity of loans.
- 1427.8 Amount of loan.
- 1427.9 Classification of cotton.
- 1427.10 Approved storage.
- 1427.11 Warehouse receipts.
- 1427.12 Liens.
- 1427.13 Fees, charges and interest.
- 1427.14 [Reserved]
- 1427.15 Special procedure where funds are advanced.
- 1427.16 Reconcentration of cotton.
- 1427.17 Custodial offices.
- 1427.18 Liability of the producer.
- 1427.19 Repayment of loans.
- 1427.20 Handling payments and collections not exceeding \$9.99.
- 1427.21 Settlement.
- 1427.22 Commodity certificate exchanges.
- 1427.23 Cotton loan deficiency payments.
- 1427.24 [Reserved]
- 1427.25 Determination of the prevailing world market price and the adjusted world price for upland cotton.

Subpart B [Reserved]

Subpart C—Upland Cotton User Marketing Certificates

- 1427.100 Applicability.
- 1427.101–1427.102 [Reserved]
- 1427.103 Eligible upland cotton.
- 1427.104 Eligible domestic users and exporters.
- 1427.105 Upland Cotton Domestic User/Exporter Agreement.
- 1427.106 Form of payment.
- 1427.107 Payment rate.
- 1427.108 Payment.

Subpart D—Recourse Seed Cotton Loans

- 1427.160 Applicability.
- 1427.161 Administration.
- 1427.162 [Reserved]

- 1427.163 Disbursement of loans.
- 1427.164 Eligible producer.
- 1427.165 Eligible seed cotton.
- 1427.166 Insurance.
- 1427.167 Liens.
- 1427.168 [Reserved]
- 1427.169 Fees, charges, and interest.
- 1427.170 Quantity for loan.
- 1427.171 Approved storage.
- 1427.172 Settlement.
- 1427.173 Foreclosure.
- 1427.174 Maturity of seed cotton loans.
- 1427.175 Liability of the producer.

Subpart E—Standards for Approval of Warehouses for Cotton and Cotton Linters

- 1427.1081 General statement and administration.
- 1427.1082 Basic standards.
- 1427.1083 Bonding requirements for net worth.
- 1427.1084 Examination of warehouses.
- 1427.1085 Exceptions.
- 1427.1086 Approval of warehouse, requests for reconsideration.
- 1427.1087 Exemption from requirements.
- 1427.1088 Contract fees.
- 1427.1089 OMB Control Numbers assigned pursuant to Paperwork Reduction Act.

Subpart F—2002-Crop Cottonseed Payment Program

- 1427.1100 Applicability.
- 1427.1101 Administration.
- 1427.1102 Definitions.
- 1427.1103 Eligible cottonseed.
- 1427.1104 Eligible first handlers.
- 1427.1105 Payment application.
- 1427.1106 Available funds.
- 1427.1107 Applicant payment quantity.
- 1427.1108 Total payment quantity.
- 1427.1109 Payment rate.
- 1427.1110 Payment calculation and form.
- 1427.1111 Liability of first handler.

Subpart G—Extra Long Staple (ELS) Cotton Competitiveness Payment Program

- 1427.1200 Applicability.
- 1427.1201 [Reserved]
- 1427.1202 Definitions.
- 1427.1203 Eligible ELS cotton.
- 1427.1204 Eligible domestic users and exporters.
- 1427.1205 ELS Cotton Domestic User/Exporter Agreement.
- 1427.1206 Form of payment.
- 1427.1207 Payment rate.
- 1427.1208 Payment.

AUTHORITY: 7 U.S.C. 7231–7237 and 7931–7939; and 15 U.S.C. 714b and 714c.

**Subpart A—Nonrecourse Cotton
Loan and Loan Deficiency
Payments**

SOURCE: 67 FR 64459, Oct. 18, 2002, unless otherwise noted.

§ 1427.1 Applicability.

(a) The regulations of this subpart are applicable to the 2002 through 2007 crops of upland cotton and extra long staple cotton. These regulations set forth the general provisions under which marketing assistance loans and loan deficiency payment programs shall be administered by the Commodity Credit Corporation (CCC). Additional terms and conditions are in the note and security agreement and the loan deficiency payment application that must be executed by a producer to receive marketing assistance loans and loan deficiency payments.

(b) The basic loan rates, the schedule of premiums and discounts, and forms applicable to the cotton marketing assistance loan and loan deficiency payment programs are available from FSA offices. The forms for use in connection with the programs in this subpart shall be prescribed by CCC.

(c) Marketing assistance loans and loan deficiency payments will not be available for any cotton produced on land owned or otherwise in the possession of the United States if such land is occupied without the consent of the United States.

(d) Notwithstanding the other provisions of this part, a producer may only receive the maximum assistance allowed by part 1400 of this chapter.

(e) Eligible producers, under 7 CFR 1421.4, who produce upland cotton during the 2002 through 2007 crop years on a farm that is not covered under a direct and counter-cyclical program contract, as defined in part 1412 of this chapter, are eligible for marketing assistance loans or loan deficiency payments as are eligible producers who produced commodities on farms covered by such a contract.

§ 1427.2 Administration.

(a) The marketing assistance loan and loan deficiency payment programs shall be administered under the general

supervision of the Executive Vice President, CCC, or a designee and shall be carried out by FSA employees, and state and county committees.

(b) No FSA employee or committee may modify or waive any requirement in this subpart, except as provided in paragraph (e) of this section.

(c) The State committee shall take any required action not taken by the county committee. The State committee shall also:

(1) For the 2001 crop year only, allow producers who, in good faith, violated the terms and conditions of the note and security agreement resulting in the producer losing beneficial interest in the commodity before repaying the loan, to repay the loan at a rate that is the lesser of the loan plus interest, or the adjusted world price, as determined under § 1427.19, in effect on the date the beneficial interest was lost.

(2) Correct, or require a correction of an action that is not in compliance with this part; or

(3) Stop an employee from taking an action or decision that is not in accordance with the regulations of this part.

(d) The Executive Vice President, CCC, or a designee may determine any question arising under these programs, and reverse or modify a determination made by an FSA employee or State or county committee.

(e) The Deputy Administrator for Farm Programs, FSA, may authorize State or county committees to waive or modify deadlines and other program requirements in cases where lateness or failure to meet such other program requirements does not adversely affect the operation of the marketing assistance and loan deficiency payment programs.

(f) A representative of CCC may execute marketing assistance loan and Loan deficiency payment applications and related documents only under the terms and conditions determined and announced by CCC. Any document not executed under such terms and conditions, including any purported execution before the date authorized by CCC, shall be null and void.